

The Honorable John C. Coughenour  
Noted for Hearing July 11, 2014

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF WASHINGTON

Somerset Communications Group, LLC,

Plaintiff,

v.

Wall to Wall Advertising, Inc., et al.,

Defendants.

NO. 2:13 cv 02084 JCC

GOSS DECLARATION OPPOSING  
DEFENDANTS' MOTIONS IN LIMINE

C. Chip Goss declares:

1. The following are true and correct excerpts taken from the transcript of the videotape deposition of Peter Hopper in lieu of trial testimony:

MR. WILLIAMS:

04 Q. Okay. In 2010 you filed a lawsuit  
05 against Mr. MacCord; is that correct?

06 A. Yep.

...

13 That lawsuit was settled, wasn't  
14 it?

15 A. We did reach a settlement with  
16 Mr. MacCord that he hasn't fully honored, but  
17 yes.

...

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06 Q. I'm handing you what will be  
07 marked as Deposition Exhibit 4.

Goss Declaration Opposing  
Defendants' Motions in Limine - 1 of 5

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...  
 23 It says, "As consideration for the  
 24 terms of the settlement set forth herein, the  
 25 MacCord party shall pay to the Fourpoints  
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02 parties \$95,349.13."

03 A. Uh-huh.

04 Q. Does this refresh your  
 05 recollection that the ultimate settlement  
 06 payment was \$95,000?

...  
 16 Q. As part of the settlement  
 17 agreement did Fourpoints agree to release all  
 18 claims against Mr. MacCord?

19 A. Again, you'll have to really ask  
 20 Mr. Friedman. I'd need to read the agreement.

21 Q. So you don't recall either way?

22 A. I think we reached a settlement,  
 23 so I'm assuming we released each other.

After Defense counsel raised the line of questioning, Somerset asked the following:

MR. GOSS

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22 Q. -- was it your opinion and the  
 23 opinion of Fourpoints Investors that  
 24 mismanagement by Mr. MacCord and Mr. Doyle was a  
 25 significant factor in the failure of the company

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02 to perform in 2009?

03 MR. WILLIAMS: Object to the form.

04 A. Yes.

05 Q. And could you elaborate on what  
 06 you believed the mismanagement or malfeasance to  
 07 be?

08 A. Yeah. You said five minutes.

09 Q. All right, in a minute.  
 10 Mr. Friedman can probably go into detail.

11 A. Yeah, I mean, I'll -- I'll touch  
 12 on some key things.

13 So it is our belief, with lots of  
 14 documentation that we believe supports our  
 15 contention, that a large amount of the money  
 16 that was invested in the company by Fourpoints

17 Investors was used by MacCord for personal --  
 18 personal use. Whether those were very  
 19 significant charges to an American Express card  
 20 that was a corporate card that were clearly  
 21 personal; whether it was monies paid to AJA  
 22 Media, which we later learned was a company  
 23 owned by Andrea MacCord's former husband that  
 24 apparently Andrea and Don had a significant  
 25 economic stake in, so there were inflated bills,

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02 you know, payments for work that never occurred,  
 03 you know. So, you know, a large amount of  
 04 money. There was, you know, a Bentley that the  
 05 company, you know, bought for Don, a Bentley.

06 So there were all sorts of things  
 07 like this where, you know, just -- just a lot of  
 08 money got used for purposes that had nothing to  
 09 do with building the business.

10 There were a number of  
 11 misrepresentations to us over time about, you  
 12 know, whether a -- an advertiser was actually a  
 13 real advertiser. There were -- there were  
 14 invoices that were created that we later learned  
 15 were clearly not real, but it served to allow  
 16 the financial statement to show that we had  
 17 revenue. Later on, you know, tons of that was  
 18 written off and deemed to be, you know,  
 19 uncollectible and not really valid to begin  
 20 with. The whole Pala situation, where we were  
 21 led to believe that everything was good to go on  
 22 the sign. You know, the sign went up, you know,  
 23 had to be taken down, and we were never told of  
 24 this, but yet we were continuing to look at  
 25 projections with the company that showed the

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02 sign generating lots of revenue.

03 I mean, again, it would be -- we  
 04 could go on for a long time here. But, yes,  
 05 mismanagement, misappropriation of funds, you  
 06 know, in my opinion was the principal reason the  
 07 company failed.

08 MR. WILLIAMS: Object to the  
 09 answer and move to strike as beyond the  
 10 scope of discovery and the subject of a  
 11 motion in limine.

12 Q. Why did Fourpoints Investors  
13 choose to settle for \$95,000 its claims?

14 A. You know, it was just at that  
15 point in time we felt like the continued expense  
16 of pursuing an action against -- against Don and  
17 Shannon relative to what, you know, we were  
18 likely going to be able to recover, it just  
19 didn't make sense to keep pursuing it.

20 Q. Did you settle in any way because  
21 you believed you could not prove your claims?

22 A. No.

2. The following are true and correct excerpts taken from the transcript of the  
videotape deposition of Martin Friedman in lieu of trial testimony:

MR. WILLIAMS

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20 Q. Mr. Friedman, Fourpoints sued  
21 Donald MacCord and Wall To Wall in or around  
22 2010, correct?

23 A. Originally, yes, it did, in 2010.

24 Q. And you discussed some of those  
25 allegations today here with counsel for  
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02 Plaintiffs. Do you recall that?

03 A. Yes, I do.

04 Q. Mr. Friedman, were any of those  
05 allegations proven at trial?

06 A. No, they were not.

07 Q. Why is that?

08 A. We never went to trial.

09 Q. How did the parties resolve the  
10 claim?

11 A. In mid 2000 and -- let me get my  
12 dates right -- '12, we decided that it would be  
13 in the best interest of Fourpoints Holdings and  
14 Fourpoints Investors at that point to settle  
15 with him, to allow us to sell the assets of the  
16 company.

17 Q. And was there a monetary payment  
18 by Mr. MacCord to Fourpoints as a condition of  
19 that settlement agreement?

20 A. Under the settlement agreement the  
21 defendant parties, MacCord, Doyle, Doyle's

22 accounting firm and their spouses, I guess, were  
23 required to make to make a monetary payment,  
24 yes.

25 Q. Do you recall what that monetary  
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02 payment was?

03 A. The initial monetary payment was  
04 supposed to be around \$90,000. It was a little  
05 less than that, actually. When they did not  
06 make the payment by the date that it was due,  
07 which was in July of 2012, it stepped up  
08 immediately to \$121,000 and then it was -- it  
09 accrues interest at a rate of 10 percent.

10 Q. And as a term of that settlement  
11 agreement between the MacCord parties and  
12 Fourpoints, the parties agreed to mutually  
13 release each other, correct?

14 A. That's correct.

15 Q. And that mutual release extended  
16 to all of the allegations by Fourpoints in that  
17 lawsuit, correct?

14 The foregoing is true and correct under penalty of perjury of the laws of the state of  
15 Washington.

16 Signed in Bellevue, Washington this 21<sup>st</sup> day of January, 2016.

17 TACEY GOSS P.S.

18 */S/* C. Chip Goss

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